

MEMO

DATE: May 8, 2008

TO: Administration Committee and Regional Council

FROM: Wayne Moore, Chief Financial Officer, (213) 236-1804, moore@scag.ca.gov

SUBJECT: CFO Monthly Report

Accounting:

During the month of March, the Accounting department began working on its part of an agencywide disaster recovery plan. Staff is identifying mission-critical processes and the infrastructure and support they require. Next, the trade-off between cost and timeliness of recovery will be evaluated.

SCAG renewed its \$5 million line of credit with Bank of the West (BOW) through February 28, 2009. This gives the agency a ready source of cash in the unlikely event of a complete depletion of our financial resources. Pursuant to Administration Committee direction, staff entered into negotiations with BOW regarding the \$5,000 fee. These were not fruitful as BOW had already absorbed the legal fees in connection with the set-up of the LOC. It should be noted that the term of this renewal covers fourteen months as opposed to the customary twelve. This represents an implicit reduction of the \$5,000 renewal fee.

Budget and Grants:

The annual meeting with MPO's, Caltrans and FHWA was held on April 16, 2008 to address FY09 OWP comments from these funding partners. Staff responded with comments to Caltran's proposed new guidelines for submission of Indirect Cost Allocation plans. SCAG's plan for FY 2008-09 was submitted on April 25, 2008. Staff began collecting data to implement a three-year revenue expense forecast for the agency. A draft forecast will be reviewed with Executive Management in May.

Contracts:

During the month of March, the contracts department awarded 2 contracts, and issued 4 Request for Proposal (RFP). Staff also administers 70 consultant contracts and 13 Continuing Cooperative Agreements.

Staff continues their efforts to obtain reduced pricing on the goods and services they procure. Accordingly, in March 2008, staff saved the agency approximately \$20,800 by taking the following actions:

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- Staff (Lori Grebbien) obtained \$15,500 in reduced pricing on a professional services contract involving IT Disaster Recovery and Data Center Planning and Implementation, by removing the budget form the RFP and working with the Project Manager to create a detailed specification that bidders could bid on without exceeding the budget.
- Staff (Ranjini Zucker) obtained \$5,000 in reduced pricing on the Imperial County Arial Imagery contract by negotiating the price down.
- Staff (Ted Dorjee) obtained \$300 in reduced pricing on the Google Earth License Renewal contract by negotiating the price down.

It is worth noting that to date contract staff has saved the agency approximately \$71,000.

Lastly, as part of its on-going strategy to increase competition, Contracts staff attended the 2008 Transit Summit and the 2008 Greater Los Angeles Vendor Fair to market SCAG's contracting opportunities, for the purpose of registering new vendors into SCAG's bid notification database (the more bidders in the database the greater the likelihood of increased competition).

Submitted by:


Chief Financial Officer